

Washington State Office of the Insurance Commissioner

LET'S GET WASHINGTON COVERED: Restructuring Health Insurance Task Force
April 23, 2003 meeting
1:30 – 4:30pm, Insurance 5000 Building, Tumwater, Wash.

In attendance: Commissioner Mike Kreidler

Representing Consumers: Adair Dammann, Service Employees International Union;
Tom Jones, Community Choice Healthcare Network; Ed Singler, AARP.

Representing Insurers: Pam MacEwen, Group Health Cooperation; Yori Milo, Premera
Blue Cross; Margaret Stanley, Regence BlueShield.

Representing Providers: Lori Bielinski, Complementary and Alternative Medicine;
Thomas Curry, Washington State Medical Association; Rhonda Hauff, Yakima
Neighborhood Health Services.

Representing Purchasers: Laura Boyd, Health Care Purchasers Association and
Association of Washington Business; Pete Cutler, Health Care Authority; Gary Smith,
Independent Business Association; Cynthia Voortman, Washington Association of
Health Underwriters; and, Mark Johnson in the audience for Carolyn Logue, National
Federation of Independent Business.

OIC: Michael Arnis, Beth Berendt, Bill Daley, Ann Eddy, Valerie Gerst, Sandi Peck, and
George Xu.

Introductions and welcome

Commissioner Kreidler welcomed the task force members. The task force members
introduced themselves.

Commissioner Kreidler thanked them for agreeing to participate on this health insurance
task force. He has spoken often of health insurance and believes that health insurance
is reaching a crisis and we cannot wait much longer to seek ideas and solutions. At
times, he has placed a sharp point on some of his ideas. There is, however, no "Kreidler
Plan." Like the other members of the task force, Commissioner Kreidler has some ideas
about how to address the health insurance crisis. The Commissioner does not have a
plan for the other members to consider and will be one of 16 members working to
develop new ideas. He does not believe that a government-based health insurance
system is the answer, nor can we rely fully on market-based initiatives. That leaves a lot
of room in the middle to develop proposals with many of the best ideas.

Washington Health Foundation Presentation

Greg Vigdor, President and CEO of the Washington Health Foundation, lead a
discussion on the problems and challenges within our health insurance system. Greg's
PowerPoint presentation can be found on the Office of Insurance Commissioner web
site, www.insurance.wa.gov.

The presentation included information on rising health care costs, past cost-containment efforts, the uninsured, quality of services, and the public's perceptions of change. Key survey results from the Washington Health Foundation were used to demonstrate that many Washington State residents believe the health care system is not working. Although there was no consensus on possible solutions, residents displayed an interest in certain ideas and are looking for leadership.

Task force members and Greg discussed similarities and differences between the health care reform efforts of the early 1990s and the crisis that appears to be generating now. They also discussed how the Washington State health care system evolved over the last decade.

Meeting Administration

Michael Arnis, Senior Health Policy Advisor, Office of Insurance Commissioner, held a brief discussion on meeting administration that included the following:

OIC staff will provide meeting materials within one week of each meeting.

The public can attend the meetings. Time will be set aside at the end of each meeting for public comments

The task force members agreed not to have substitutes. A designee can be in the audience when a member is unable to attend. Designees will not participate at the table with the other task force members.

Sandi Peck, Deputy Commissioner for Public Affairs, Office of Insurance Commissioner, shared that a simple news release about the formation of the task force is planned. The news release will refer to a web site that contains a roster of the task force members and the meeting dates. The web site will also have an e-mail address for public comments. These public comments will be posted on the web site. The members will receive a heads-up before they are posted.

Legislative Participation

The task force discussed the importance of working with legislators during this project. Many ideas such as periodic briefings and inviting legislators to specific task force meetings were proposed. Legislative staff will be invited to the task force meetings. Bill Daley, Deputy Commissioner for Policy and Legislative Affairs, Office of Insurance Commissioner, discussed the current House version of the Office of Insurance Commissioner budget. A proviso to form a health care task force has been attached to that version of the OIC budget. Bill has been informing legislators and staff that a task force with a focus on health insurance would soon be meeting.

Timeline

A high-level timeline was proposed for the first phase of the task force's work from April through August. A series of policy and informational discussions will be used to develop one or more conceptual designs by August, 2003. The task force would then use the remaining months to develop policies for those conceptual designs between August and December.

A discussion of the simulation system the Office of Insurance Commissioner is developing with the Lewin Group will be on the agenda for the May 28, 2003 meeting. The Lewin Group has been hired to assist with the development of a computer system that will simulate various scenarios of our health insurance market.

Scope of the Task Force

A presentation and discussion was held on the need to focus the scope of the task force on health insurance. The Washington State health care system has experienced many improvements in medical care, customer service, and plan design. Yet, without a focus on new ideas for health insurance, it is likely that costs will continue to climb and people will face difficulty becoming insured.

The task force discussed the need for more clarification of the scope. Which groups can be considered in the work of the task force? Are there certain legal constraints to be aware of from the start? Can those constraints limit our proposals for certain populations?

Meeting Wrap Up

Commissioner Kreidler thanked them for finding the time to meet during the legislative session. He emphasized the importance of their work on this task force. He emphasized that the crisis in health insurance will get worse if nothing is done. He believes the members can develop options and solutions that are inclusive of the perspectives at the table.

Respectfully submitted, Valerie Gerst.